Charles M. Palmer Director

INFORMATIONAL LETTER NO.1167

DATE: September 7, 2012

TO: Iowa Medicaid Hospitals (Excluding Critical Access Hospitals, Children's

Inpatient Facilities, Indian Health Services and Veterans)

ISSUED BY: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Update to the Medicare Hospital Acquired Conditions (HACs) List –

Corresponding IME Update

EFFECTIVE: October 1, 2012

In Informational Letter No. 1108 the IME announced that effective for discharge dates on or after September 1, 2011, the IME would not pay for services related to Hospital Acquired Conditions. As noted in Informational Letter No.1108, this change only affects institutional inpatient claims for type of bill: 11X or 18X. Per the Centers for Medicare and Medicaid Services (CMS) definitions, a HAC is a condition that is considered reasonably preventable and was not present or identifiable upon admission to the hospital, but is either present at discharge or documented after admission. For Medicaid payment purposes, the IME follows Medicare's HAC policy.

As announced in Informational Letter No.1108, the IME will continue to follow the CMS HAC determinations including any future updates to the HAC list and diagnosis codes. In that regard, CMS recently made changes to that list for Federal Fiscal Year (FFY) 2013, which are effective for discharge dates on or after October 1, 2012. Two new HACs were added to the Medicare HAC list: (1) Surgical Site Infection (SSI) Following Cardiac Implantable Electronic Device (CIED) Procedures and (2) Pneumothorax with Venous Catheterization.

In addition to the new HACs, two new diagnosis codes were added to the existing HAC list for Vascular Catheter-Associated Infection which are: 999.32 (Bloodstream infection due to central venous catheter) and 999.33 (Local infection due to central venous catheter) The updated CMS list will be available at: http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalAcqCond/Downloads/HACFactsheet.pdf.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909. locally at 515-256-4609 or by email at imeproviderservices@dhs.state.ia.us.